National Energy Board | Office national de l'énergie

National Energy Board

Report on Plans and Priorities

2011-12

The original version was signed by

The Honourable Joe Oliver, P.C., M.P.
Minister
Natural Resources

Canada

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Message from the Chair and CEO

I am pleased to present this Report on Plans and Priorities. The National Energy Board's (NEB or the Board) mandate is to make energy related decisions in the public interest. While the NEB's mandate has remained stable since its inception in 1959, the emphasis on various aspects of the mandate has changed to accommodate the evolving public interest. However, one thing never changes—we are committed to holding ourselves and those we regulate accountable to Canadians.

The NEB provides oversight of safety, integrity, environmental and economic issues throughout the lifecycle of its regulated facilities. As we continue working on behalf of Canadians, one ultimate outcome remains clear: the safety of Canadians and the protection of the environment for future generations. In the coming year, we will focus on reducing incidents. To address the recent increasing incident trend, we will conduct an Incident Reduction Project to determine the root causes of safety loss and then share these lessons learned with industry. We will also focus on measuring and transparently sharing information on the performance of companies. In short, we are holding companies accountable on behalf of Canadians.

Holding those we regulate accountable for public safety, security, and positive environmental, social and economic outcomes begins with regulatory leadership. In the coming year, the NEB will continue conducting a public review of Arctic safety and environmental requirements for offshore drilling. This review will examine the best available information concerning the risks and safety measures associated with offshore drilling in the Canadian Arctic. The review will be public and transparent, gathering knowledge from Aboriginal organizations, residents of Arctic communities, technical experts, governments, other regulators, environmental groups and industry.

As the economic, environmental and social considerations that inform the Board's decisions evolve, the Board seeks to understand the context of those considerations. To this end, we have committed to concrete action in engaging Canadians. Fully implementing our new Participant Funding Program will support effective public participation in the regulatory process for oral facility hearings. We will complete the NEB's guidance to landowners and companies on safe crossing practices on agricultural land. We will also enhance the quality of information available on our website and promote greater use of the Appropriate Dispute Resolution program.

The Board must also communicate its expectations, standards, and processes with clarity and transparency. We are updating our filing requirements for applications based on our learnings and the experiences of our stakeholders. The updated Filing Manual will offer greater clarity, thereby increasing the effectiveness of Board processes.

The appetite of Canadians for transparency, industry accountability, and environmental responsibility has never been greater. We will continue to strive to meet their expectations and to ensure that the trust they have placed in our independence, technical expertise and concern for their rights and interests is warranted.

The original version was signed by

Gaétan Caron
Chair and CEO

Section I
Overview

Raison d'être

The National Energy Board regulates pipelines, energy development and trade in the Canadian public interest.

Responsibilities

The National Energy Board is an independent, federal, quasi-judicial, regulatory tribunal established in 1959 to promote safety and security, environmental protection, and economic efficiency in the Canadian public interest within the mandate set by Parliament for the regulation of pipelines, energy development and trade. The Board reports to Parliament through the Minister of Natural Resources.

The Board's main responsibilities include regulating the construction and operation of interprovincial and international oil and gas pipelines, international power lines, and designated interprovincial power lines. The Board also regulates the tolls and tariffs for pipelines under its jurisdiction, as well as the export of natural gas, oil, natural gas liquids and electricity, and the import of natural gas. Additionally, the Board regulates oil and gas exploration and development on frontier lands and offshore areas not covered by provincial or federal management agreements.

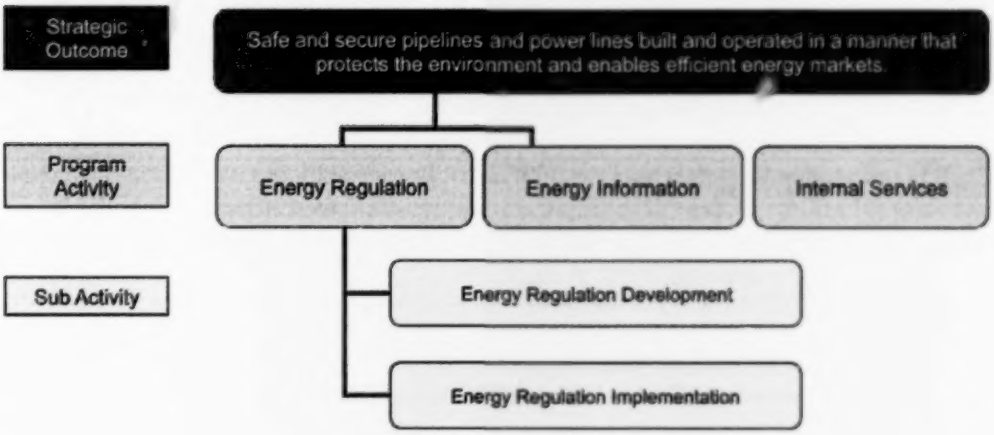
The Board evaluates the potential effects of proposed energy infrastructure projects; monitors and enforces terms and conditions during and after construction; and monitors and regulates ongoing operations, including deactivation and abandonment. The functions of the NEB with respect to pipelines, international power lines and energy trade are set out in the *National Energy Board Act* (NEB Act). The Board also has regulatory responsibilities under the *Canada Oil and Gas Operations Act* (COGO Act) and under certain provisions of the *Canada Petroleum Resources Act* (CPR Act) for oil and gas exploration and activities on frontier lands under NEB jurisdiction. In addition, some Board staff are appointed Health and Safety officers by the Minister of Labour to administer Part II of the Canada Labour Code as it applies to facilities regulated by the Board. The NEB is also required to meet the requirements of the *Canadian Environmental Assessment Act* and the *Mackenzie Valley Resource Management Act*.

In an advisory function, the Board keeps under review and analyzes matters related to its jurisdiction and provides information and advice on aspects of energy supply, transmission and disposition in and outside Canada. In this role, the NEB publishes periodic assessments to inform Canadians on trends, events, and issues which may affect Canadian energy markets.

As an independent, federal, quasi-judicial, regulatory tribunal, the NEB is guided by the principles of natural justice and procedural fairness. The Board is a court of record. It has the powers of a superior court with respect to the attendance, swearing, and examination of witnesses; the production and inspection of documents; the enforcement of its orders; the entry on and the inspection of property; and other matters necessary or proper for the due exercise of its jurisdiction. Aside from rare exceptions, the Board's regulatory decisions and the accompanying Reasons for Decision are issued as public documents.

Strategic Outcome and Program Activity Architecture

The diagram below illustrates the NEB's strategic outcome and program activity architecture. The Board's program activities and program sub-activities all contribute to achieving the strategic outcome.


Strategic Outcome
Safe and secure pipelines and power lines built and operated in a manner that protects the environment and enables efficient energy markets.
Program Activity
Energy Regulation
Energy Information
Internal Services
Sub Activity
Energy Regulation Development
Energy Regulation Implementation

Planning Summary

The tables below provide a summary of total planned spending and total planned human resources for the next three fiscal years.

Financial Resources ($ millions)

2011–12[1]	2012–13[2]	2013–14[3]
63.1	60.2	57.2

Human Resources (Full-Time Equivalents – FTEs)

2011–12	2012–13	2013–14
393.6	393.6	393.6

1 Includes $2.3M for Operating Budget Carry-Forward and $1.2M for Eligible Paylist Expenditures

2 Includes $1.2M for Eligible Paylist Expenditures

3 Includes $1.2M for Eligible Paylist Expenditures

Strategic Outcome: Safe and secure pipelines and power lines built and operated in a manner that protects the environment and enables efficient energy markets.	
Performance Indicators	**Targets**
Frequency of disabling injuries and pipeline failures	0 disabling injuries and 0 pipeline failures; assessed via reported incidents and year by year improvement
Frequency of major releases into the environment (Major release = greater than 100 m^3 of liquid hydrocarbon)	0 releases; assessed via reported incidents and year by year improvement
Canadian energy and transportation markets are working well	Adequate oil and natural gas pipeline capacity in place based on pipeline utilization; similar Canadian and US energy markets have equivalent pricing; pipeline companies provide services which meet the needs of shippers

Program Activity[4]	Forecast Spending ($ millions)	Planned Spending ($ millions)			Alignment to Government of Canada Outcomes[5]
	2010–11	2011–12	2012–13	2013–14	
Energy Regulation	35.3	37.4	35.6	33.9	Strong Economic Growth
Energy Information	4.7	5.0	4.8	4.5	Strong Economic Growth
Internal Services	19.6	20.7	19.8	18.8	N/A
Total Planned Spending		**63.1**	**60.2**	**57.2**	

4 For program activity descriptions, please access the Main Estimates online: http://www.tbs-sct.gc.ca/est-pre/index-eng.asp

5 For a description of the Government of Canada Outcomes, please access the Treasury Board of Canada Secretariat's website at: http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

Contribution of Priorities to Strategic Outcome

The following operational and management priorities will be the focus of the Board's attention and resources during this reporting period. These priorities and their associated plans are aimed at continuing to deliver on the Board's sole strategic outcome of safe and secure pipelines and power lines built and operated in a manner that protects the environment and enables efficient energy markets.

Operational Priorities	Type	Link to Program Activity	Description
Provide a clear and coherent regulatory framework	Previously committed to	Energy Regulation	**Why is this a priority?** • A clear and coherent regulatory framework, with supporting processes and tools, is essential for achieving the NEB's strategic outcome by communicating the Board's expectations to regulated companies and supporting the Government of Canada's priorities in Canada's North. **Plans for meeting the priority** • Modernizing NEB regulations and guidance materials so that they are effective and efficient. • Leveraging opportunities for legislative refinement with other departments and agencies and participating in regulatory improvement initiatives.
Improve performance of regulated companies	Previously committed to	Energy Regulation	**Why is this a priority?** • The NEB's ability to influence the behaviours of regulated companies in key areas (i.e., safety, environment, public participation, financial integrity, emergency management, and security) significantly contributes to the achievement of its strategic outcome. **Plans for meeting the priority** • Measuring the performance of regulated companies and determining the need for regulatory action. • Providing transparent, factual assessments of the regulated industry's performance to the public. • Reviewing and enhancing the NEB's regulatory compliance programs.

Operational Priorities	Type	Link to Program Activity	Description
Provide timely regulatory decisions in the Canadian public interest	Previously committed to	Energy Regulation	**Why is this a priority?** • The Board's ability to provide timely regulatory decisions is a cornerstone of delivering on its strategic outcome by helping to enable efficient energy markets. **Plans for meeting the priority** • Assessing applications and ensuring the continuous improvement of the application assessment process. • Enhancing opportunities for stakeholders to effectively engage with the NEB.
Provide relevant, neutral and credible energy information	Previously committed to	Energy Information	**Why is this a priority?** • Through its Energy Information Program, the NEB provides a range of energy information products to help Canadians better understand energy use in Canada and the Board's regulatory role. **Plans for meeting the priority** • Continuing to deliver the current suite of Energy Information Program products. • Producing a new *Energy Futures Report.* • Implementing a new Commodities Tracking System to track and report the export and import of energy commodities. • Ensuring that Board Members and staff are informed of current and emerging issues in energy and related regulatory areas.

Management Priorities	Type	Link to Program Activity	Description
Ensure the NEB has the capacity to effectively deliver on its mandate	Previously committed to	Internal Services	**Why is this a priority?** • Effective management and leadership support the achievement of the NEB's strategic outcome by enhancing organizational performance. **Plans for meeting the priority** • Proactively assessing and addressing current and emerging resource needs. • Providing a positive workplace. • Continuing to integrate and improve the effectiveness, consistency and efficiency of corporate processes, tools, and policies. • Enhancing financial management and security practices. • Assessing organizational information management needs.

Risk Analysis

The NEB proactively considers safety, environmental, societal and economic trends that may influence its ability to carry out its responsibilities in the Canadian public interest.

Factors that affected emerging energy trends in Canada in 2010-11 will continue in 2011-12. These include lower workforce and population growth, slower economic growth, an additional focus on using energy more wisely, and heightened awareness of the environmental impacts of energy consumption.

Unconventional sources of oil and gas are expected to contribute a larger proportion of the supply mix than conventional sources. There is a projected increase in the oil sands' contribution to Canadian oil exports, as well as a projected increase in shale and tight gas production. The weaker natural gas prices and stronger oil prices seen in 2010-11 are expected to continue in 2011-12. This makes it likely that the industry will continue to shift toward oil production. Many of the oil sands projects that were deferred during the recent economic downturn are now moving forward as the Canadian economy begins to recover. The relatively low market prices for natural gas will tend to keep natural gas production at current or slightly declining levels. Ongoing pipeline integrity problems on important US systems have placed some restrictions on Canadian oil exports, a situation which will be important to monitor from both a safety and trade perspective.

Across the country, the electricity industry is focused on ways to reduce consumption and to integrate green technologies in power generation. Commercial opportunities on both sides of the border will spur electricity trade with the US and net exports will continue, led by the provinces with hydroelectric generation. Overall, Canadians can expect all energy markets to function well with energy prices balancing supply and demand.

In 2010-11, applications from the regulated industry were high from a historical perspective, with some shift in emphasis from facility applications to financial and toll hearings. The NEB expects the high rate of industry applications to continue in 2011-12.

Recent global events and incidents have brought increased public, parliamentary and media attention to the NEB. To some extent, the capacity of the Board to effectively deliver on its mandate depends on how the organization is perceived by its stakeholders. This challenge is not unique to the NEB and faces all regulatory bodies. If stakeholders lose confidence in the NEB as a federal energy regulator, it could impede the organization's effectiveness and sphere of influence. Reputation and credibility flow from how an organization conducts its activities and works to achieve results. The NEB will continue to strive toward excellence in achieving its strategic outcome. NEB staff will maintain their expert knowledge in the energy industry. The Board will continue to listen to stakeholders to ensure that all viewpoints are understood and that Board decisions represent the full range of the Canadian public interest. Finally, the NEB will be transparent about all its actions to show Canadians how it is holding both itself and the regulated industry accountable.

The energy industry is in a state of constant evolution. Changes, be they technological, financial, political or societal, can come from any direction. There is a risk that if the

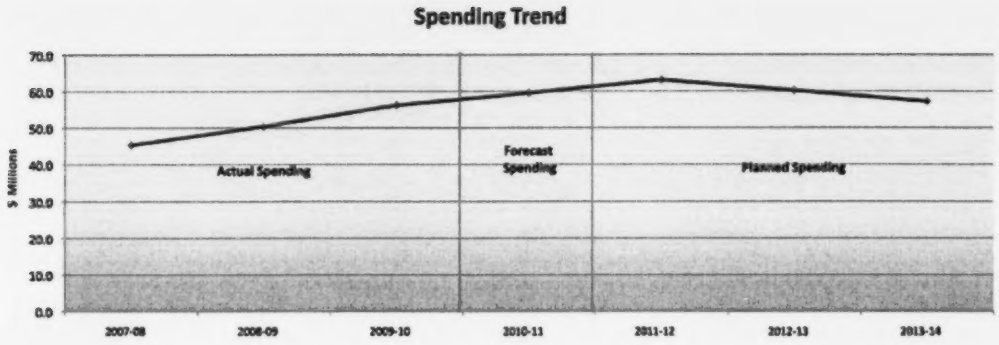
Board does not keep up-to-date in these areas, it will not be best positioned to make quality decisions to help the organization realize its strategic outcome. To mitigate this risk and increase its expert knowledge, the NEB employs a number of strategies. Through a technical excellence program, the Board ensures that it has the necessary expertise and capacity to support all NEB activities. As well, Board staff keeps current on industry developments through professional training plans, market monitoring, and participation in conferences and multi-stakeholder working groups.

From the application phase of a pipeline project through to construction, operation and abandonment, public safety and environmental protection are of paramount importance to the NEB. The Board rigorously regulates the pipeline industry in an effort to meet its targets of zero pipeline failures, zero disabling injuries and zero major releases into the environment. In recent years, these incidents have been on the rise. The NEB is adopting several strategies to help reverse this trend. For example, an Incident Reduction Project will investigate the root causes of these incidents. Future risks will be mitigated by sharing learnings from the project with industry and improving the way the NEB communicates its expectations.

Increased public, parliamentary and media interest in the work of the NEB, combined with a heightened public interest in energy matters, have created an opportunity for the Board. Because of its higher public profile, the Board now has a better chance to educate Canadians on how pipelines are built and operated in a safe and secure manner that protects the environment and enables efficient energy markets. One particular area of interest to Canadians is the issue of offshore drilling in the Canadian Arctic. While there is currently no offshore drilling occurring in the Arctic, the Board is conducting a public review of Arctic Safety and Environmental Requirements for Offshore Drilling. This review, which is broad in scope and involves hundreds of stakeholders, will continue into 2011-12. Lessons learned will be incorporated into the Board's examination of future applications for offshore drilling in the Arctic. As well, the NEB has created an External Relations Team to manage the Board's interactions with external stakeholders.

Expenditure Profile

The NEB is funded through parliamentary appropriations. The Government of Canada recovers approximately 90 per cent of the appropriation from the regulated industry. The revenues are deposited directly into the Consolidated Revenue Fund. This process is regulated by the *Cost Recovery Regulations* under the NEB Act.



Spending Trend ($ millions)							
	Actual			Forecast	Planned		
Fiscal Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Spending	45.3	50.4	56.2	59.6	63.1	60.2	57.2

The NEB spending trend shows expenditure increases until 2011-12, after which a gradual decrease in spending is expected.

In 2008-09, increased spending was due to negotiated changes to the collective agreement and incremental FTEs as approved by the Treasury Board. In 2009-10, spending increases were primarily attributable to the Board's decision in February 2009 to transfer jurisdiction of TransCanada Pipeline's NOVA Gas Transmission Ltd. (NGTL) system to the NEB. Funding was received for the additional FTEs required as a result of this increase in regulatory responsibility. These FTE positions were partially filled in 2009-10.

In 2010-11, spending increased as the NEB realized the full impact of the transfer in jurisdiction of the NGTL system and finished staffing the additional FTE positions. As well, spending increased due to new funds received for the Arctic Review initiative. Planned spending is projected to peak in 2011-12 with an anticipated Operating Budget Carry-Forward from 2010-11.

Moving into 2012-13 and 2013-14, planned spending is anticipated to decrease. This reduction in spending will result primarily from the elimination of special allowances contained in the current collective agreement which expires in 2011. However, this decrease will be partially offset in 2012-13 by increased costs for the Participant Funding Program. This program will receive an additional $3.0 million ($4.5 million in total) due to a projected high hearing load. In 2013-14, the Participant Funding Program will revert back to its baseline funding level of $1.5 million.

Estimates by Vote

For information on the NEB's organizational votes and/or statutory expenditures, please see the 2011-12 Main Estimates publication. An electronic version of the Main Estimates is available at http://www.tbs-sct.gc.ca/est-pre/20112012/me-bpd/toc-tdm-eng.asp.

Section II
Analysis of Program Activities by Strategic Outcome

Strategic Outcome

Strategic Outcome: Safe and secure pipelines and power lines built and operated in a manner that protects the environment and enables efficient energy markets.	
Performance Indicators	**Targets**
Frequency of disabling injuries and pipeline failures	0 disabling injuries and 0 pipeline failures; assessed via reported incidents and year by year improvement
Frequency of major releases into the environment (Major release = greater than 100 m^3 of liquid hydrocarbon)	0 releases; assessed via reported incidents and year by year improvement
Canadian energy and transportation markets are working well	Adequate oil and natural gas pipeline capacity in place based on pipeline utilization; similar Canadian and US energy markets have equivalent pricing; pipeline companies provide services which meet the needs of shippers

Successfully delivering on the targets under the NEB's strategic outcome contributes to the safety of Canadians, the protection of the environment and efficient energy markets. The NEB works to achieve its strategic outcome through its two main program activities—Energy Regulation and Energy Information—which are supported by an Internal Services program activity. The following sections provide detail on these program activities, including expected results and the financial and human resources planned for each.

Program Activity: Energy Regulation

Human Resources (FTEs) and Planned Spending ($ millions)					
2011–12		**2012–13**		**2013–14**	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
233.9	37.4	233.9	35.6	233.9	33.9

Program Activity Expected Results	Performance Indicators	Targets
The responsible development and operation of energy infrastructure • NEB-regulated facilities and activities are safe and secure • The environment is protected throughout the lifecycle of NEB-regulated facilities and activities • Canadians benefit from efficient energy infrastructure and markets • The rights and interests of those affected by NEB-regulated facilities and activities are respected	Companies have adequate and effectively implemented safety, integrity and environmental management systems and programs	100% of companies regulated by the NEB have safety, integrity and environmental management systems and programs in place
	Percent of planned compliance activities completed	100% of planned compliance activities are completed
	The Board's regulatory processes are measurably efficient and effective	All NEB service standards for its regulatory services are met[6]
	Percent of planned financial regulatory audits completed	100% of planned financial regulatory audits are completed
	Stakeholders are satisfied with NEB processes, information and interaction	80% of stakeholders who provide feedback are satisfied with NEB processes, information and interaction

Program Activity Summary: This program provides the Canadian public, project proponents and other government agencies with regulation of international and designated interprovincial power lines; construction, operations, and tolls and tariffs on international and interprovincial pipelines; energy trade; and exploration and development in certain frontier and offshore areas. The companies that are regulated by the Board create wealth for Canadians through the transport of oil, natural gas and natural gas liquids, and through the export of hydrocarbons and electricity. As a regulatory agency, the Board's role is to help create a framework which allows these economic activities to occur when they are in the public interest. The public interest is inclusive of all Canadians and refers to a balance of economic, environmental and social interests that change as society's values and preferences evolve over time.

The **Energy Regulation** Program has two program sub-activities:

- **Energy Regulation Development:** This program sub-activity provides the regulatory expectations for applications and compliance with regulatory decisions. To make decisions in the Canadian public interest and to provide regulatory leadership that is responsive, proactive and innovative, the NEB must continually develop, improve and communicate regulations, regulatory and compliance tools, guidance, and processes. Related activities include developing and maintaining Memorandums of Understanding and workplans, providing regulatory and technical expertise through standards associations, and sharing best practices.

6 Service standards are available on the NEB's website under "Who we are and our governance." http://www.neb-one.gc.ca

- **Energy Regulation Implementation:** This program sub-activity provides assessment and processing of regulatory applications submitted under the Acts administered by the NEB. It also provides regulatory oversight of energy infrastructure and markets through monitoring and enforcement activities. Responsibilities are pursuant to the NEB Act, COGO Act, CPR Act and the Canada Labour Code. Related services include stakeholder engagement and liaison, addressing landowner complaints, and facilitating appropriate dispute resolution.

Planning Highlights

To achieve the expected results, the NEB plans to:

Provide a clear and coherent regulatory framework by:

- Modernizing NEB regulations and guidance materials so that they are effective and efficient. This includes:
  - Improving the clarity of NEB filing requirements for applications by updating the NEB Filing Manual.
- Leveraging opportunities for legislative refinement with other departments and agencies and participating in regulatory improvement initiatives. This includes:
  - Conducting a public review of the safety and environmental requirements for offshore drilling in the Canadian Arctic.

Improve performance of regulated companies by:

- Measuring the performance of regulated companies and determining the need for regulatory action.
- Providing transparent, factual assessments of the regulated industry's performance to the public.
- Reviewing and enhancing the NEB's regulatory compliance programs. This includes:
  - Completing the Incident Reduction Project to examine linkages between the technical causes of pipeline failure and underlying management system deficiencies.

Provide timely regulatory decisions in the Canadian public interest by:

- Assessing applications and ensuring the continuous improvement of the application assessment process.
- Enhancing opportunities for stakeholders to effectively engage with the NEB. This includes:
  - Offering the Appropriate Dispute Resolution process more proactively as a tool to resolve outstanding issues.

- Improving the quality of information available on the NEB website, including the Landowner's Guide and the section on public participation.
- Completing guidelines for landowners and companies on safe crossing practices on agricultural land.

Benefits for Canadians

Through the Energy Regulation Program, the NEB contributes to Canada's energy future by deciding whether Canadian energy infrastructure projects are in the public interest. The Board makes these decisions within a regulatory framework that balances the environmental, social, and economic dimensions of facilities and related activities. This framework enables procedural fairness and streamlining in regulatory processes. Through its regulatory compliance programs, the NEB sets expectations for the regulated industry and holds it accountable for outcomes on behalf of Canadians. Ultimately, these activities make it possible for all Canadians to benefit from a safe, secure and reliable supply of energy.

Program Activity: Energy Information

Human Resources (FTEs) and Planned Spending ($ millions)					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
31.4	5.0	31.4	4.8	31.4	4.5

Program Activity Expected Results	Performance Indicators	Targets
Timely, objective and independent energy information that enables informed decisions regarding energy markets and infrastructure	Feedback from internal and external clients on Energy Information Program products via questionnaires after workshops, comments cards with publications, interviews with clients	80% of feedback from clients indicates they find Energy Information Program products useful and relevant
	NEB website provides timely and relevant energy market information	5% increase in visits to content on the NEB website from the previous year

Program Activity Summary: This program provides the Board, industry, policy makers, and the Canadian public with energy industry and market surveillance, including the outlook for supply and demand of energy commodities in Canada, to assist in decision making regarding energy infrastructure and markets. This program informs Canadians on energy market developments and issues related to the Board's regulatory mandate, which are primarily in the gas, oil and electricity market sectors, and under Part VI of the NEB Act by providing market analysis to determine whether Canadians are able to access energy at fair market prices.

Planning Highlights

The NEB will ***provide relevant, neutral and credible energy information*** by:

- Continuing to deliver the current suite of Energy Information Program products.
- Producing a new *Energy Futures Report*.
- Implementing a new Commodities Tracking System to track and report the export and import of energy commodities.
- Ensuring that Board Members and staff are informed of current and emerging issues in energy and related regulatory areas.

Benefits for Canadians

The goal of the Energy Information Program is to provide relevant, neutral and credible information on the energy industry and energy markets. The NEB uses its expertise to monitor markets to inform its Board Members and share this information with Canadians. Access to this expert knowledge helps policy makers, industry and the Canadian public make informed choices about energy options. Through its monitoring of energy exports, the Board determines whether exports are surplus to Canadian requirements and if energy markets are functioning properly, including whether Canadian energy users have access to domestically-produced energy on terms and conditions at least as favourable as those available to export buyers.

Program Activity: Internal Services

Human Resources (FTEs) and Planned Spending ($ millions)					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
128.3	20.7	128.3	19.8	128.3	18.8

Program Activity Summary: Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; Acquisition Services; and Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

Planning Highlights

To ***ensure the NEB has the capacity to effectively deliver on its mandate,*** the NEB will focus on the following activities:

- Proactively assessing and addressing current and emerging resource needs.
- Providing a positive workplace.
- Continuing to integrate and improve the effectiveness, consistency and efficiency of corporate processes, tools, and policies.
- Enhancing financial management and security practices.
- Assessing organizational information management needs.

Benefits for Canadians

These initiatives will have a positive impact on the overall effectiveness of other program activities at the NEB. The contribution of Internal Services to the strategic outcome of the Board is indirect, but critical.

Section III
Supplementary Information

Financial Highlights

The future-oriented financial highlights presented below serve as a general overview of the NEB's operations.

Future-oriented Condensed Statement of Operations for the Year Ended March 31 ($ millions)

	% change	Future-oriented 2011–12
Expenses		
Total Expenses	N/A	74.0
Revenues		
Total Revenues		65.2
Net Cost of Operations		**8.8**

These future-oriented financial highlights are prepared on an accrual basis to strengthen accountability and to improve transparency and financial management. The amounts presented above differ from the amounts presented in the tables in Section I and Section II of this document which are compiled on a cash basis.

The estimated total expenses for the NEB for fiscal year 2011-12 are $74.0 million. It is anticipated that the total expenses will be allocated as follows: $43.8 million on Energy Regulation, $5.9 million on Energy Information and $24.3 million on Internal Services. The 2011-12 estimated revenues, which are cost recovered, are expected to be $65.2 million.

The Future-oriented Statement of Operations and associated notes can be found on the NEB's website[7].

Supplementary Information Tables

All electronic supplementary information tables found in the 2011-12 Report on Plans and Priorities can be found on the Treasury Board of Canada Secretariat's website[8].

- Sources of Non-Respendable Revenue
- Greening Government Operations
- Upcoming Internal Audits and Evaluations

7 http://www.neb-one.gc.ca/clf-nsi/rpblctn/rprt/plnprrt/20112012/fnnclsttmnt-eng.html

8 http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp

Section IV
Other Items of Interest

NEB Service Standards

As part of its measurement plan, the NEB has established service standards which identify specific delivery targets for key services. Meeting service standard targets consistently and with quality results reflects the NEB's commitment to efficient and effective regulatory processes.

More information on NEB service standards is available on the NEB's website[9].

NEB Strategic Plan

The NEB's three-year Strategic Plan is available on the NEB's website[10].

9 Service standards are available on the NEB's website under "Who we are and our governance." http://www.neb-one.gc.ca

10 The NEB Strategic Plan is available on the NEB's website under "Who we are and our governance." http://www.neb-one.gc.ca